

AMENDED IN ASSEMBLY APRIL 23, 2009

AMENDED IN ASSEMBLY APRIL 1, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

## ASSEMBLY BILL

**No. 537**

---

---

**Introduced by Assembly Member Arambula**

February 25, 2009

---

---

An act to add Section ~~47020.5 to the Food and Agricultural Code, relating to agriculture. 10072.1 to the Welfare and Institutions Code, relating to public benefits.~~

### LEGISLATIVE COUNSEL'S DIGEST

AB 537, as amended, Arambula. ~~Agriculture: direct marketing: farmers' Farmers' markets: electronic benefit transfers.~~

*Existing law provides for the establishment of a statewide electronic benefit transfer (EBT) system for the purpose of providing financial and food assistance benefits to needy Californians.*

*This bill would require a farmers' market, certified farmers' market, or other open-air market selling fresh produce, that does not have an EBT system in place by January 1, 2012, to allow a Food Nutrition Service (FNS)-authorized 3rd-party organization to operate an EBT acceptance system in the market, as specified. The bill would authorize the State Department of Social Services to designate or assign a nonprofit organization that is or can be FNS-authorized to accept the EBT card on behalf of the produce sellers.*

~~Existing law authorizes the Secretary of Food and Agriculture to adopt regulations to encourage the direct sale by farmers to the public of all types of California agricultural products. Existing law authorizes farmers to sell the agricultural products they produce directly to the~~

public at certified farmers' markets, field retail stands, and farm stands, as provided.

~~This bill would require every operator of a farmers' market, as a condition of certification, to implement a system to accept electronic benefit transfer payments by January 1, 2012. The bill would require the Secretary, in consultation with the Certified Farmers' Market Advisory Committee, to determine the best way to achieve this goal and identify funding for this purpose.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. Section 10072.1 is added to the Welfare and*  
2     *Institutions Code, to read:*

3     *10072.1. (a) The Legislature finds and declares that farmers'*  
4     *markets, certified farmers' markets, and other open-air markets*  
5     *selling fresh produce are important sources of low-cost produce*  
6     *for Californians in need of food assistance.*

7     *(b) If by January 1, 2012, a market described in subdivision (a)*  
8     *does not have a system in place for its produce sellers to accept*  
9     *electronic benefit transfer (EBT) for purchases, the market shall*  
10    *allow a Food and Nutrition Service (FNS)-authorized third-party*  
11    *organization to operate an EBT acceptance system in the market*  
12    *on behalf of the market's produce sellers. The market shall*  
13    *reasonably accommodate the FNS-authorized third-party*  
14    *organization in a manner that aids in the creation, implementation,*  
15    *and operation of the EBT acceptance system.*

16    *(c) The State Department of Social Services may designate or*  
17    *assign a nonprofit public benefit, charitable, or social welfare*  
18    *organization that is or can be FNS-authorized to accept the EBT*  
19    *card on behalf of the produce sellers.*

20    ~~SECTION 1. Section 47020.5 is added to the Food and~~  
21    ~~Agricultural Code, to read:~~

22    ~~47020.5. Every operator of a certified farmers' market shall,~~  
23    ~~by January 1, 2012, implement a system to accept electronic benefit~~  
24    ~~transfer (EBT) payments from EBT clients. As of January 1, 2012,~~  
25    ~~no farmers' market shall be eligible for a certificate nor shall any~~  
26    ~~certificate issued before January 1, 2012, be valid if the farmers'~~  
27    ~~market does not have a system in place to accept EBT payments.~~

1     ~~SEC. 2. The Secretary of Food and Agriculture, in consultation~~  
2     ~~with the Certified Farmers' Market Advisory Committee, shall,~~  
3     ~~after one or more public workshops, with public notice, and an~~  
4     ~~opportunity for all interested parties to comment, determine the~~  
5     ~~best way to achieve universal acceptance of electronic benefit~~  
6     ~~transfers at certified farmers' markets by January 1, 2012, and~~  
7     ~~identify potential funding sources available for this purpose,~~  
8     ~~including, but not limited to, grants and zero or low interest loans.~~

O